



Health Services
LOS ANGELES COUNTY

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March 30, 2006

TO: Each Supervisor

FROM: Bruce A. Chernof, M.D.
Acting Director and Chief Medical Officer

SUBJECT: **ANNUAL REPORT OF FAST TRACK ADMISSIONS AND VISITS – CALENDAR YEAR 2005**

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Chief Deputy Director

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*To improve health
through leadership,
service and education.*

This is to provide the subject annual report pursuant to the Fast Track Admission Policy approved by the Board on December 7, 1999 and amended in August 2002 which allows the Department of Health Services (DHS) to negotiate patient-specific payment rates for inpatient and/or outpatient services and enter into single-instance, per admission or per visit agreements with private payers (e.g., government agencies, private Health Maintenance Organizations, indemnity insurance plans, etc.), to treat specific patients at County Health Facilities.

For the Calendar Year 2005, payment terms were negotiated for 32 inpatients and nine outpatients under the Fast Track Admission and Visit Policy, encompassing a total of 1,483 days and 14 outpatient visits. The services provided to these patients had a total estimated variable cost of \$1.2 million and are projected to generate \$2.4 million in reimbursement to the County (see attached).

Since the inception of the Fast Track Program in January 2000, DHS has treated 346 inpatients for a total of 10,042 days and provided 37 outpatient visits at a total estimated variable cost of \$8.7 million and a projected reimbursement of \$14.0 million.

The Department will continue to monitor Fast Track Admission and Visit activity on a monthly basis and will submit the annual report for Calendar Year 2006 by approximately March 30, 2007.

If you have questions or require additional information, please let me know.

BAC:ns
304:015

Attachment

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors



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**COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES
FAST TRACK ADMISSIONS AND VISITS**

CALENDAR YEAR 2005

Calendar Year	Type Of Stay	Number Of Patients ⁽¹⁾	Number Of Days/Visits	Hospital Charges	Estimated Variable Cost	Expected Reimbursement ⁽²⁾	Payments Received To-Date	Transferred to Collections ⁽⁶⁾	Amount Outstanding	Outstanding >90 Days
2005	Inpatient	32	1,483	\$ 8,792,817	\$ 1,184,648 ⁽³⁾	\$ 2,437,042	\$ 1,279,808	6,780	1,150,454	\$ 626,778
	Outpatient	9	14	14,302	4,624	7,667	2,971	-	4,696	1,393
2004	Inpatient	35	1,399	8,255,379	1,288,635 ⁽⁴⁾	2,252,048	1,932,378	72,182	247,486	247,486
	Outpatient	4	4	3,658	996	1,577	1,131	-	446	446
2000-2003	Inpatient	279	7,160	36,688,985	6,262,387 ⁽⁵⁾	9,288,316	8,755,806	532,510	-	-
	Outpatient	19	19	20,661	6,560	10,978	10,573	405	-	-
Total	Inpatient	346	10,042	53,736,981	8,735,670	13,977,404	11,967,992	611,472	1,397,940	874,264
	Outpatient	32	37	38,621	12,180	20,222	14,676	405	5,142	1,839
Grand Total		<u>378</u>	<u>10,079</u>	<u>\$ 53,775,602</u>	<u>\$ 8,747,850</u>	<u>\$ 13,997,626</u>	<u>\$ 11,982,667</u>	<u>\$ 611,877</u>	<u>\$ 1,403,082</u>	<u>\$ 876,103</u>

Notes:

- (1) Non-compliance with Fast Track Agreements may result in a decrease in the number of patients reported. As a result, the number of patients may change if payments are not received pursuant to Fast Track terms and conditions.
- (2) The negotiated Inpatient payment rates are not less than the higher of the County's inpatient Medi-Cal per diem contract rate currently in effect or the applicable hospital's estimated average variable costs for the applicable admission. Outpatient payment rates shall not be less than the applicable County hospital's estimated average variable costs for the applicable outpatient service.
- (3) Calendar year 2005's estimated average variable cost for service provided is based on FY 03-04.
- (4) Calendar year 2004's estimated average variable cost for service provided is based on FY 02-03.
- (5) Calendar year 2003, 2002, 2001, 2000's estimated average variable cost for service provided is based on FY 01-02, FY 00-01, FY 99-00 and FY 98-99 respectively.
- (6) Amounts referred for further action to the Treasurer Tax Collector (TTC) or an outside collection agency for collection.